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Copy Review

8 DEC 1959

MEMORANDUM FOR: Chief, Finance Division

SUBJECT: Representation Allowances

For the guidance of certifying officers and others concerned with representation allowances, following is an excerpt from a memorandum from the Chief of Operations, DE/P, to several Station Chiefs abroad:

" . . . The question often arises as to whether a particular item should be charged to representation, operating, or station overhead expense. The following criteria is offered for your guidance on this question:

a. When it is necessary that an official vehicle and driver be provided full time for official transportation of the Chief of Station, the cost of such vehicle and driver should be charged to station overhead. If an additional driver should be hired for a specific operation or a specific representational function, the cost should be chargeable to operations or representation, as appropriate.

b. It is expected that you will pay from personal funds the salary and other costs essential for household servants for the normal living and entertainment requirements of your family. The salary and other costs of extra household servants should be charged entirely against representation allowance even though they may also be used in connection with operational functions. If caterers or additional servants are engaged exclusively for a specific operational purpose, such additional costs are chargeable to operations.

c. Club dues other than those customarily borne as a personal expense will normally be charged to an operational account (Project, COA, or D&TO) based on the reason for the membership in the club. In some instances it is recognized that the primary reason for joining a club is representational, in which event, the cost should be charged to representation.

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d. The cost for maintenance of quarters (other than additional servants) suitable to the position of the Chief of Station will be charged to station overhead under authority

e. The cost of entertainment designed for representational purposes is chargeable to representation allowance even though operations may benefit materially from the function. If a specific function is intended exclusively for operational purposes, the direct costs (but not a portion of the continuing costs of maintaining the household) should be charged to operations (Project, COA, or D&TO, as appropriate) within the limitations of authorizations for those purposes."

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Special Support Assistant/DIE

SSA-DD/S:VRT/ms (7 Dec. 59)

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